

Janice K. Brewer Governor

EXECUTIVE OFFICE

December 31, 2009

The Honorable Terry Goddard Office of the Attorney General 1275 West Washington Street Phoenix, Arizona 85007

Dear Attorney General Goddard:

I respectfully request your immediate review of the legality of a bill currently under consideration in Congress and its implications for the taxpayers of Arizona. As I am sure you are aware, the U.S. Senate recently passed its version of the health care reform bill, which includes a seemingly unprecedented exception for the State of Nebraska that would exempt that state in perpetuity from paying for any newly eligible Medicaid recipients. No other state in the country would receive this extraordinary financial privilege. The cost of this special treatment for Nebraska would be shifted to the federal government and ultimately borne by the taxpayers of the other 49 states, including the citizens of Arizona.

I am profoundly concerned that this exemption afforded only to the residents of one state violates the constitutional rights of the taxpayers of Arizona. This is particularly troubling given the dire economic crisis our State is currently facing. The Medicaid eligibility expansion provision of the health care bill alone is estimated to increase the financial obligations of the State by billions of dollars. To also require Arizona's taxpayers to pay for a share of Nebraska's costs to provide health care to its own citizens offends the basic principles of fairness and equity.

Therefore I ask you, as the State of Arizona's chief legal officer, to review the legality of this matter on behalf of the citizens of our State. Attorneys General of several other states are currently doing the same on behalf of their citizens, and you may deem it prudent to collaborate in their efforts. Please provide me with your legal analysis and potential actions you recommend pursuing as soon as possible. Given the depth of the impending financial ramifications to our State, I feel strongly that we must not wait until after the bill passes to take action to protect the rights of Arizonans.

I sincerely appreciate your efforts on behalf of the citizens of our great State of Arizona and look forward to your response.

Sincerely,

Janice K. Brewer

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Governor